

# **Attachment 3**

## **FY 2005 Consolidated Planning Process Policies**



## MEMORANDUM

Not On

Agenda Item No. 7(K)(1)(A)

TO: Honorable Chairperson Barbara Carey-Shuler, Ed. D. DATE: **June 22, 2004**  
and Members Board of County Commissioners

FROM: George W. Burgess  
County Manager

SUBJECT: Proposed FY 2005  
Consolidated Planning  
Process Policies

### RECOMMENDATION

As amended by the ED & HS Committee on May 19, 2004, this item includes attachments of NRSA demographics and boundary maps, the United States Department of Housing and Urban Development (USHUD) incentives for NRSA designation, a response to the letter from South Florida CD Coalition and inclusion of charrette planning elements in the citizen participation process.

It is recommended that the Board of County Commissioners approve the attached FY 2005 Consolidated Planning Policies. These policies will govern preparation of the update of the Miami-Dade County FY 2003-2007 Consolidated Plan through preparation of the FY 2005 Action Plan, and the FY 2005 Consolidated Request for Applications (RFA) process.

### BACKGROUND

The United States Department of Housing and Urban Development (U.S. HUD) requires that the Miami-Dade County Office of Community and Economic Development (OCED) submit a Consolidated Plan. The Board of County Commissioners approved the current FY 2003-2007 Consolidated Plan, along with the policies in it, on December 17, 2002. This year an update of the Consolidated Plan for FY 2003-2007 will be prepared, through the FY 2005 Action Plan. The planning process commenced in March 2004 with County Departments, Community Based Organizations (CBOs), Community Development Corporations (CDCs), the Office of Americans with Disabilities Act (ADA) Coordination, public housing residents and tenant councils. Staff is meeting with Community Advisory Committees and neighborhood groups to update and prioritize the needs of their neighborhoods.

The proposed FY 2005 Consolidated Planning Process continues to frame policies and priorities, as adopted by the Board in prior years, including:

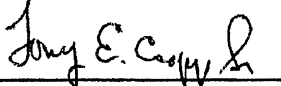
- The Plan addressing all three U.S. HUD's Community Planning and Development (CPD) formula programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grant (ESG);
- Amending the Neighborhood Revitalization Strategies element;

- The final CDBG Rule that requires sub recipients with activities outside of an entitlement jurisdiction provide documentation showing that reasonable benefits from the activity will accrue to residents from the jurisdiction of the Grantee (Metropolitan Significance);
- Concentration of activities in Neighborhood Revitalization Strategy Areas (NRSAs) and eligible block groups;
- Funding priority given to those census tracts and block groups where the household income level is 30% or less of the median income in Miami-Dade County;
- Emphasis on activities that address State Wages Welfare Reform initiative goals and projects that support the funding priorities established by the Alliance for Human Services in accordance with the Social Service Master Plan for Dade County;
- Exclusion of County Departments from the formal RFA process in lieu of allocations determined through the County's budget development process, subject to eligibility determination by OCED;
- Establishment of a minimum goal to allocate at least 20 percent of the FY 2004 CDBG allocation for economic development activities;
- The concept of zero-based budgeting in evaluating currently funded agencies and services for FY 2003 funding, and those on the list of eligible public services;
- A Requirement for strict compliance with *Section 3 of the HUD Act of 1968* and directing all County departments to monitor and enforce compliance with said provision: requiring all applicable County contracts and solicitations to contain language requiring compliance with *Section 3*. *Section 3* requirements ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low- and very low-income persons;
- Extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations in the production and operation of affordable housing;
- Applicants are required to give presentations at District and NRSA meetings to give citizens an opportunity to receive information on proposed projects. Currently funded agencies or developers must give performance reports on ongoing projects;
- Proposals will be evaluated for leverage indicating adequate financial resources to complete the project, including any financial gaps or contingencies prior to project commencement. Documentation of other funding sources will be required;
- The RFA will be limited to requesting the types of priorities identified in the Consolidated Plan. Non housing projects will be recommended for Census Tracts and Eligible Block Groups in which at least 51% of the households have low or moderate-incomes in unincorporated Miami-Dade County and participating jurisdictions. In municipalities that do not have their own CDBG entitlement, activities that address the needs of limited clientele Groups, such as the elderly, public housing residents, the disabled, farm workers, the homeless, WAGES participants etc.), which have low-to-moderate-income, will be considered for funding;

- Bonus points will be provided to RFA respondents whose applications propose to serve the Federal Empowerment Zone, Federal Enterprise Community, State Enterprise Zones, Targeted Urban Areas and Community Redevelopment Areas that meet the objectives enumerated in the respective plans;
- A Director's District Reserve Account will be established for each Commission District with funding of \$200,000 per district for CDBG eligible activities;
- A \$100,000 reserve account will be established for each of the ten Neighborhood Revitalization Strategy Areas (NRSAs) Community Advisory Committees. Utilization of these funds will be subject to activity meeting one of U.S. HUD's National Objectives, consistency with Consolidated Plan priorities, formal application through RFA process, and not a public service activity;
- Consider multi-year contracts and/or funding for housing and capital improvement projects, which could include phasing of projects with first year to include pre-development, feasibility study, design and environmental review. SHIP and Surtax funded projects are excluded for consideration for multi-year funding;
- Timeliness of expending funds by agencies will be factored into the content and frequency of reports used in program management, and schedules for the use of projected funds will include key project milestones to measure progress;
- Funds for affordable housing administrative costs will be capped at \$150,000 for the life of the project. Project-related soft costs that will be exempt from the cap are architectural, engineering and related professional services, project audit costs, fair housing services to prospective tenants or owners of an assisted project, appraisals, environmental reviews, preparation of work specifications and legal and accounting fees.

Proposed New Policies:

- Coral Gables (formerly Coconut Grove) no longer meets US HUD demographic criteria eligibility to be designated as an NRSA. (All existing approved activities will be supported until their completion.) OCED recommends that Kendall West and Sweetwater be designated as NRSAs. Existing NRSA boundaries will be modified to be consistent with block groups boundaries;
- Consideration of multi-year funding for Public Service activities;
- Development of a two-tiered application process, Request for Qualifications and final application requirements for CDBG and ESG programs. HOME, SHIP and Surtax programs will be excluded from the two-tiered process;
- Enhancement of agency capacity through required training sessions for agencies that are awarded CDBG or HOME funds. Agencies that have demonstrated knowledge of real estate development and organizational management theory will be exempt from this requirement;
- Establishment of a \$25,000 minimum allocation for funded activities.



Tony E. Crapp Sr.  
Assistant County Manager





## **Miami-Dade County Proposed**

### **FY 2005 Action Plan Policies**

*"In celebration of providing 30 years of national support  
for low-to-moderate communities."*

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# FY 2005 CONSOLIDATED PLANNING PROCESS POLICIES

## ***EXECUTIVE SUMMARY OF PROPOSED CHANGES***

The Miami-Dade County Office of Community and Economic Development (OCED) offers the following changes for the FY 2005 Consolidated Planning Process Policies. These changes are being proposed based on the development of new management strategies, implementation of management by objectives, analysis of the 2000 Census and consultation with the community. Ultimately, these changes will improve the efficiency and effectiveness of OCED and participating agencies, which will continually increase the quality of services provided.

1. **Neighborhood Revitalization Strategy Area (NRSA) reconfigurations.** These reconfigurations are based on an in depth analysis of the 2000 Census and reflect the United States Department of Housing and Urban Development's (US HUD) guidelines for NRSA, poverty levels and needs of the community. (See Attachment C – Proposed NRSA Demographics and Maps) Unfortunately, Miami-Dade County has an overabundance of eligible block groups that qualify for NRSA designation. OCED is recommending the following changes, which increases the amount of residents served from 109,170 to 161,037:

New NRSA:

Kendall West District 11  
Census tracts; 101.55, Block groups 1 & 2  
101.56, Block group 2

Sweetwater/Fountainbleau District 12  
Census Tracts; 90.18 Block groups 1, 2, 3, & 4  
90.17 Block groups 1 & 3

Additional NRSAs are still under consideration, including North Miami Beach and Coral Terrace. However, at this time, OCED's limited resource is inadequate to support additional NRSA strategy areas. Should conditions change, the aforementioned areas may be considered for designation as future strategy areas.

Expansion of Existing NRSAs:

Leisure City will be expanded to include Naranja and Princeton

Opa-locka will be expanded to include contiguous eligible block groups

W. Little River will be expanded to include Pinewood and contiguous eligible block groups

Elimination of Existing NRSA, due to Ineligibility: Coral Gables in which previous commitments will be honored and a phase out plan has been established to meet current community needs.

Modification of Goulds and Perrine Boundaries: The boundaries of Goulds and Perrine will be modified to be consistent with US Bureau of the Census Block Group boundaries as required by US HUD

2. **Multi-Year Funding for Public Service Activities.** In an effort to be more efficient and effective OCED proposes to change the funding cycle for CDBG public service activities, on a case-by-case basis, from one year funding to multiyear funding. Multiple year funding is contingent on an annual assessment of the agencies deliverables to determine that accomplishments have been met and are scheduled to increase per year. Yearly monitoring of each activity will remain.

The basis for the decision comes from the agencies desire to anticipate and plan for funding adequately versus applying every year and waiting six-months to eight months to determine if they were funded and for how much. By transitioning to multiyear funding agencies will be able to leverage CDBG dollars more effectively through the proper planning and budgeting of funds. Some contracts may be executed for multiple years, however scopes and budgets will be required yearly. The entire amount, to be funded, will not be available, but distributed, according to their scopes proportionately during the multiyear funding phase. There is a possibility of OCED, in order to remain within HUD regulatory requirements, will have to issue contracts with annual renewal provisions on performance guidelines.

Additionally, agencies that do receive multiple year funding contracts will be required to aggressively pursue outside funding sources during the multi-year contractual period. This will assist the agencies to 'get a jumpstart' on becoming self-sufficient and less dependent solely on CDBG funds. Also, funding will be directly tied to accomplishment units and timelines as identified in each activities scope of services. USHUD mandates that OCED reports on each activity by accomplishment units, therefore it is necessary to strengthen this requirement to ensure compliance with USHUD reporting standards. It is anticipated that OCED will work very closely with the Alliance for Human Services on this component.

To maximize on the public service cap exemption, as per US HUD guidelines, public service activities will be funded, as permissible, through Community Based Development Organizations (CBDO) based in a NRSA.

3. **Development of a two-part consolidated Request for Qualifications CDBG applications.** FY 2005 CDBG funding requests will be accepted in two phases. The first phase, will be an abbreviated application whereby staff will be able to ascertain whether the agency has the capacity to perform the activity and whether that activity is suited for that community. Agencies that meet the initial criteria will then be asked to submit a more detailed second-phase application. Being asked to submit a full application does not imply that the agency will be recommended for funding; rather it determines who is qualified for funding under the established criteria. HOME, SHIP and SURTAX applications will be exempt from the pre-application process.
4. **Enhance agency capacity through required training sessions.** Each agency that receives CDBG or HOME allocations for housing related activities will be required to attend a training certification program that will be offered through a collaborative effort between Miami-Dade County, Local Initiative Supportive Corporation (LISC) and Florida International University (FIU). The training offered is designed specifically to help non-profits build their capacity for real estate development projects. Agencies that have demonstrated knowledge of Real Estate Development will be exempt from this requirement.
5. **Establishment of an allocation minimum.** Due to the complexity of monitoring and managing each contract, OCED will be establishing a \$25,000 minimum threshold per allocation. Amounts smaller than \$25,000 can usually be obtained by private funding sources. CDBG funds should be used as gap financing for agencies that may be unable to receive conventional financing to make their projects feasible.

## **PART I: PURPOSE AND BACKGROUND**

### **PURPOSE**

This paper contains the Miami-Dade County Office of Community and Economic Development (OCED) proposed FY 2005 Consolidated Planning policies. These policies will govern the preparation of the FY 2005 Action Plan and the FY 2005 Consolidated Request for Qualifications (RFQ) process. In our efforts to prepare the FY 2005 Action Plan, OCED works closely with the community and its citizens to meet the overall goals of the Consolidated Plan. According to U.S. HUD, the overall goals of the Consolidated Plan are to:

- Develop viable communities by providing decent housing
- Provide a suitable living environment by improving the safety and livability of neighborhoods
- Expand economic opportunities including job creation and retention.

### **BACKGROUND**

The U.S. Department of Housing and Urban Development (HUD) requires OCED to submit a Consolidated Plan every five years and an annual Action Plan every fiscal year. The current Consolidated Plan covers the five-year period from January 1, 2003 through December 31, 2007. The FY 2003-07 Consolidated Plan includes a Housing and Homeless needs assessment, a Housing market analysis, a five year Strategic plan for Neighborhood Revitalization Strategy Areas, an annual Action Plan, US HUD Certifications and Monitoring standards and procedures. This policy paper includes the FY 2005 Plan priorities and funding criteria for the following HUD programs:

- Community Development Block Grant (CDBG);
- HOME Investment Partnerships (HOME); and
- Emergency Shelter Grant (ESG).

The paper also includes a discussion of the Surtax and State Housing Initiatives Program (SHIP) programs and the projected expenditure of revenues from these programs.

To meet the intent and spirit of Federal requirements OCED will consult with relevant County departments, municipalities, Community Development Corporations (CDCs), Community-Based Organizations (CBOs) and neighborhood-based citizen participation

groups as part of its continuing effort to fulfill our mission. The participation, from the onset, of all stakeholders facilitates successful implementation.

## **STRATEGIC PLANNING**

- The FY 2003-07 Consolidated Plan has been coordinated with the County's Strategic Plan; specifically regarding Human Services, Economic Development, Neighborhood, Environment and Unincorporated Municipal Service Area (UMSA) Services, Recreation and Culture and Transportation.

## **CITIZEN PARTICIPATION**

In May 1990, the Board of County Commissioners (BCC) approved an amended Citizen Participation Plan (Attachment A) and Guidelines for Community Action Agency (CAA) and OCED Community Advisory Committees. One of the goals of this Plan is "the establishment of a formal structure through which residents may participate in the planning, implementation and evaluation of the program in an advisory role." The Citizen Participation element of the Consolidated Plan has been modified to more fully comply with HUD Consolidated Planning requirements. On June 4, 2002, the BCC approved the FY 2003 Consolidated Planning Process policies.

The County's Citizen Participation Process relative to the Consolidated Plan occurs year round. The Citizen Participation Plan includes a minimum of four (4) meetings with NRSA residents and residents of low and moderate-income block groups within each Commission District or combination of Districts. Public hearings and comment periods are scheduled in each District for citizen feedback on the FY 2005 Plan update, funding priorities, and the RFA process. In addition, all agencies responding to the RFA, as well as all currently funded agencies, must make presentations at District and NRSA meetings in the District/NRSA that the activity is located or will be carried out. These presentations are designed to provide citizens with an opportunity to receive information on proposed and ongoing projects. Through this citizen participation process, OCED relies upon the County citizens to:

- **Identify** both neighborhood and community needs;
- **Prioritize** those needs; and
- **Recommend** activities that address priority needs.
- **Support** conclusions and recommendations reached in the community based Charrette process.

In an effort to directly meet the needs of low- and moderate-income communities, a minimum of \$100,000 will be allocated to each of the 10 Community Advisory Committees (CACs) to address high priority needs in their neighborhoods. Community Advisory Committees will be empowered to make funding recommendations regarding these non-public service priorities as part of the RFA process, either as an endorsement

of a submitted project or to fund an eligible unmet high priority need that meets a U.S. HUD national objective and OCED's funding criteria.

An additional amount will be allocated to each Commission District based upon poverty, low- and moderate-income population and overcrowded housing in each District.

OCED is working with CAA in order to update the Citizen Participation Process and Guidelines. Once drafted, these changes will be brought to communities for their input and comments. It is anticipated that new guidelines will be brought to the Board of County Commissioners in late 2004.



## **PART II: FY 2005 POLICIES**

### **FY 2005 PLAN NEEDS AND OBJECTIVES**

The strategic plan section of the current FY 2003-2007 Consolidated Plan contains numerous policy objectives. The FY 2005 Action Plan focuses upon policy objectives including, but not limited to, the following:

- Provision of new and rehabilitated single- and multi-family housing with a particular emphasis on home ownership strategies, whose by product may lead to wealth building strategies for low-moderate-income persons;
- Creation and retention of jobs;
- Public services for youth and senior citizens;
- Public Services for identified target populations in the Social Services Master Plan, to the extent that those services are eligible under CDBG guidelines; and
- Installation of and/or improvements to infrastructure.

In fulfilling these objectives, it is recommended that OCED utilize a two-tiered consolidated RFQ process for the CDBG and ESG programs. The RFQ will serve to identify agencies that have the capacity to address the inventory of unmet needs identified during the FY 2003-2007 Plan update. HOME, SHIP and Surtax programs will be excluded from the two-tiered process.

OCED will invite, through public notices, an RFQ for addressing individual Neighborhood Revitalization Strategy Areas (NRSA) and countywide priority needs in the following categories:

- Capital Improvements
- Economic Development
- Housing
- Public Services
- Historic Preservation

County Departments are considered for funding through the County's budget development and approval process, as well as the RFQ's ranking/review process. If no CDC, CHDO or CBO applications meet an unmet Plan priority or need, a County Department may be selected to address that priority or need.

Only those applications that meet the preliminary requirements will be asked to submit a more comprehensive proposal. The first round of applications will be reviewed for agency capacity and project justification. Activities will be ranked based on a combination of both submission tiers.

Additionally, any allocation made to an agency within a municipality or to a municipality will require an Interlocal-agreement stating that the municipality is financially obligated

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to match or exceed the allocation via their CDBG allocation and/or through General Revenue. Failure to secure a municipal match will effectively disqualify the applicant from receiving an allocation.

## **FY 2005 PLAN PRIORITIES AND FUNDING CRITERIA**

The following will serve as plan priorities and general funding criteria for FY 2005.

- Low-to-moderate-income households and neighborhoods;
- Housing
- Economic development;
- Financial viability, leveraging and partnerships; and
- Project's ability to be implemented within the contracted period.

Each of these five categories is presented below. These priorities and criteria demonstrate project funding priorities through several means, among them are: funding set-asides, additional or "bonus points" added to the application ranking, or other special considerations that enhance the feasibility or implementation of the project. Adherence to past performance requirements and activity service area will be factored into consideration.

### **LOW-INCOME HOUSEHOLDS AND NEIGHBORHOODS**

Emphasis will be placed on projects, programs, and activities that directly address priority needs of populations identified in the Consolidated Plan. This includes activities that address State WAGES welfare reform initiative goals and to projects that support the funding priorities established by the Alliance for Human Services, in accordance with the 2001 Social Services Master Plan for Miami-Dade County

### **PUBLIC SERVICES**

Those public service activities selected for funding will be selected based on agency capacity and activity justification, as identified by the 2001-2004 Social Services Master Plan, including crime prevention, elder services, and countywide services (information and referral, food recovery, and legal services) and the following populations:

- Children, youth and families;
- Special needs populations;
- Children and adults with disabilities; and
- Refugees, immigrants, and new entrants.

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Additional areas and populations to be given consideration include:

- Very low- and low-income households;
- Areas with high concentrations of poverty;
- Homeless population;
- Mentally and physically challenged populations;
- Farm worker/migrant population;
- Elderly population and;
- Individuals living in overcrowded housing.

Public service activities funded through the CDBG program will be subject to a 15 percent cap as mandated by US HUD, except for services carried out pursuant to a NRSA strategy by a Community-Based Development Organization (CBDO). To maximize on the public service cap exemption, public service activities will be funded, as permissible, through CBDOs based in NRSAs.

In order to receive any funding for physical site improvements, public service agencies will need to enter into a partnership with OCED's Urban Development Division-Community Builders.

Multiple year funding for public service activities is also being proposed. In an effort to be more efficient and effective, OCED proposes to change the funding cycle for CDBG public service activities from one year funding to multiyear funding –Maximum commitment three-years–. The basis for the decision comes from the agencies desire to anticipate and plan for funding adequately verses applying every year and waiting six-months to eight-months to determine if they were funded and for how much. By transitioning to multiyear funding, agencies will be able to leverage CDBG dollars more effectively through the proper planning and budgeting of funds. Contracts will be executed for multiple years, however scopes and budgets will be required yearly and demonstrate a quantifiable increase in the level of service. Additionally, yearly monitoring of each activity will be conducted to ensure compliance with US HUD guidelines.

The entire amount, to be funded, will not be available, but distributed, according to their scopes proportionately during the multiyear funding phase. Additionally, agencies that do receive multiple year funding contracts will be required to aggressively pursue outside funding sources during the first year of funding. This will assist the agencies to get a 'jumpstart' on becoming less dependent on CDBG funds. Departmentally, having multiyear funding contracts will help expedite the contract development process on the off years.

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## GEOGRAPHIC AREAS OF SPECIAL EMPHASIS

- **Neighborhood Revitalization Strategy Areas (NRSAs).** In 1996, HUD established criteria for approving locally determined strategies for revitalizing an area that is among the community's most distressed. In order to provide some incentive for grantees to undertake such revitalization, the CDBG regulations provide certain benefits for the use of CDBG funds in such an area.
- The incentives for NRSAs are as follows:
  - Job creation/retention activities undertaken pursuant to the strategy may be qualified as meeting area benefit requirements thus eliminating the need to track the income of persons;
  - Aggregation of Housing Units for purposes of applying the low and moderate income national objective criteria;
  - Aggregate Public Benefit Standard Exemption: Economic development activities carried out under the strategy may, at the grantee's option, be exempt from the aggregate public benefit standards, thus increasing a grantee's flexibility for program design as well as reducing its record-keeping requirements.
  - Public Service Cap Exemption: Public services carried out pursuant to the strategy by a Community Based Development Organization (CBDO) will be exempt from the public service cap.
- The contents of the NRSA meet the following criteria: the evaluation of boundaries, an analysis of demographic criteria, consultation with residents, businesses and non profits, an economic empowerment strategy and identification of performance measurements. Currently there are nine NRSAs; Opa-locka, West Little River, Model City, Melrose, Coral Gables, South Miami, Perrine, Goulds, Leisure City. The Federal Enterprise Community and Empowerment Zone areas are also eligible. Additionally, this paper seeks to make the following changes to the NRSA. All changes proposed meet US HUD criteria. These changes increase the amount of persons served from 109,170 to 161,037.

### New NRSAs:

Kendall West District 11  
Census tracts; 101.55, Block group 1 &2  
101.56, Block group 2

Sweetwater/Fountainbleau Districts 10, 12  
Census tracts; 90.18 Block groups 1,2,3,4  
90.17 Block groups 1 & 3

Additional NRSAs are still under consideration, including North Miami Beach and Coral Terrace. However, at this time, OCED's limited resources are inadequate to support additional NRSAs. Should conditions change, the aforementioned areas may be considered for designation as future NRSAs.

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Expansion of Existing NRSAs: Leisure City will be expanded to include Naranja and Princeton.

Opa-locka will be expanded to include contiguous eligible block groups.

W. Little River will be expanded to include Pinewood and contiguous eligible block groups.

Elimination of Existing NRSA, due to Ineligibility: Coral Gables in which previous commitments will be honored and a phase out plan has been established to meet current community needs.

Modification of Goulds and Perrine Boundaries: The boundaries of Goulds and Perrine will be modified to be consistent with US Bureau of the Census Block Group boundaries as required by US HUD

- **Eligible Block Groups (EBGs)-** Are census block groups where income is less than 80% of the County's median household income and there is a high concentration of poverty and unemployment. The boundaries of CDBG eligible areas have changed as a result of the 2000 Census.
  - EBGs not formerly designated as Community Development NRSAs will be grouped regionally by Commission District and will be included in the District's Strategic Plan.
  - Non-housing projects will be recommended for census tracts and EBGs where at least 51% of the households have low- or moderate-incomes in unincorporated Miami-Dade County and participating jurisdictions. In municipalities that do not have their own CDBG entitlement, proposed activities must address the needs of the priority needs populations listed above.
- CDBG Entitlement jurisdictions and State Small Cities CDBG Jurisdictions including: Miami; Hialeah; Miami Beach; North Miami; Homestead and Florida City. However, funding is limited to activities that demonstrate Metropolitan Significance and are consistent with the high priority needs identified in that jurisdiction's Consolidated Plan. To be eligible for CDBG funding, they must pass an eligibility test that demonstrates that the majority of its program benefits have benefited unincorporated Miami-Dade County and its participating jurisdictions in the past.
- The Consolidated Planning process will concentrate on a regional focus. All CDBG eligible areas will be evaluated on a regional basis through a community planning and review process. The formula for allocating available funding for Plan activities in eligible areas consider: per capita expenditures, concentrations of poverty, overcrowding, and the low- and moderate-income population in the area.

## HOUSING

- In compliance with Board action on November 5, 1991, there shall be a minimum set-aside of 15% of CDBG housing funds for CDCs involved in housing activities, as well as a housing activity land acquisition set-aside of 5% for use by all CDCs.
- Emphasis will be placed upon housing, community and economic development funding for:
  - Mixed-income single- and multi-family affordable housing projects and the dispersal of these projects throughout the County to avoid an over-concentration of such projects in particular geographic areas;
  - Mixed-use projects that support both housing and economic development; and
  - Agencies requesting funds for land acquisition must submit a realistic and attainable development plan for all properties to be acquired with County proceeds, an acquisition plan for parcels to be acquired for vacant or built-up acquisition activities.
- All projects involving acquisition of existing buildings must demonstrate that no persons are being displaced or a relocation plan must be submitted with the application.
- Funds for affordable housing predevelopment and other administrative costs will be capped at \$150,000 for the life of the project. The \$150,000 can be utilized for administrative project management and overhead costs linked to a specific project and or activity. Project related soft costs such as market studies, architectural drawings, engineering, fair housing services, appraisals, environmental reviews, preparation of works specifications, legal and accounting fees will be exempt from the cap. Payment of costs of staff involved in providing services for construction or rehabilitation of housing and/or for tenant-based rental subsidies using CDBG or HOME funds will be based on a schedule for the use of projected funds, tied to key project milestones, so that actual performances can be measured. According to USHUD CDGG regulations the service delivery category does not exist.
- Sub-recipients funded for capital improvements, or construction of housing may be given multi-year funding commitments and/or contracts, provided they meet all US HUD guidelines and OCED contractual requirements. This performance based multi-year funding may include public service agencies that establish sustainability plans designed to leverage additional private, foundation and/or other federal or state support. The ultimate objective is to reduce the reliance on long-term financial assistance. SHIP and Surtax funded projects will not be considered for multi-year funding.
- Timelines of expenditures will be factored in the evaluation of proposals process. As such, it is anticipated that:

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- Each project to be funded should have a schedule for the use of projected funds, tied to key project milestones, so that actual performance can be measured against expectations and problems can be identified at an early stage.
- An alternative plan to handle unexpended funds.

## **ECONOMIC DEVELOPMENT**

As a minimum goal, at least twenty (20) percent of the CDBG funding allocation will be allocated for economic development activities.

## **FINANCIAL VIABILITY, LEVERAGING AND PARTNERSHIPS**

- Proposals will be evaluated for leverage and must indicate adequate financial resources to complete the project. Any financial gaps or contingencies must be noted prior to project commencement. Documentation of other funding sources through letters of commitment will be required for all projects. Any proposal, which receives a multiple year funding agreement, is required to aggressively pursue outside funding sources in their first year of funding.
- Emphasis will be placed on applications that:
  - Utilize partnerships among the private and non-profit sectors in the development, construction and operation of affordable housing;
  - Maximize utilization of the four different public housing funds: HOME, CDBG, Surtax and SHIP as well as leveraging private financing. This maximization may require the development of a public/private fully capitalized housing fund accepting applications on a rolling basis;
  - Package housing proposals using Federal Low Income Housing Tax Credits in order to enhance their competitive position in the State competition for credits;
  - Competitive costs per client or units;
- The concept of "zero-based" budgeting will be implemented in the review of requests for funding. Thus, there is no presumption of funding for any agency currently being funded. However, County Departments and agencies currently implementing projects may be recommended for subsequent funding for continuing projects started in a prior year.

## **ENSURING PROJECT COMPLETION: MONITORING AND EVALUATION**

The County requires all subgrantees to adhere to all federal and local program compliance requirements. The County on a regular basis through progress reports will

monitor each subgrantee agency and site visits. A monitoring report must be on file by August 31, 2004 for FY 2004 activities. If a subgrantee cannot meet the terms and conditions of its contract or agreement, OCED may recommend that the contract be terminated and the funds either be used by another entity to carry out the same activity, or address a different priority.



## PART III: FUNDING AND PROJECTED ALLOCATIONS

### ACTION PLAN FUNDING ALLOCATIONS

The Board allocated FY 2004 funding for the programs listed below on December 18, 2003. Cumulatively, this represents a consolidated budget of \$61,704,000, as described in the following table. Projected allocations for each program are also provided. (These projected numbers are estimates based on current allocations and are subject to change.)

#### FY 2004 TOTAL FUNDING ALLOCATION BY FUNDING SOURCE

FY 2004 Funding By Source		
Program	Total	Percent
Community Development Block Grant (CDBG)	\$22,907,350	38
CDBG Program Income	600,000	1
Carry Over	426,985	1
Emergency Shelter Grant (ESG)	750,000	1
HODAG	120,000	1
Home Investment Partnership (HOME)/ HOME CHDO	7,482,757	12
Rental Rehabilitation	1,400,000	2
HOME Program Income	900,000	1
State Housing Initiative Program (SHIP)	6,750,000	11
Surtax Program	19,200,100	32
<b>Total</b>	<b>60,537,192</b>	<b>100%</b>

#### FY 2004 CDBG FUNDING ALLOCATION BY CATEGORY\*

FY 2004 CDBG Funding		
Category	Total	Percent
Administration	4,721,000	21
Capital Improvements	1,837,000	8
Economic Development	4,188,000	18
Historic Preservation	600,000	3
Housing	2,244,000	9
Public Service	7,264,000	31
Contingency Reserve	2,653,350	10
<b>TOTAL</b>	<b>23,507,350</b>	<b>100</b>

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\* As of 12/16/03

### **FY 2005 CDBG ESTIMATED FUNDING ALLOCATION**

The following estimated allocations serve as guidelines for FY 2005 CDBG funding.

<b>FY 2005 CDBG Estimated Funding Allocation By Category</b>	
<b>Funding Category</b>	<b>Estimated % of CDBG Allocation</b>
Administration	20%
Capital Improvement	10%
Economic Development	20%
Historic Preservation	3%
Housing	25%
Public Service	22%
Contingency	
<b>TOTAL</b>	<b>100%</b>

OCED recommends that the Board fund County Departments at a percentage no higher than 30% of CDBG funding to County Departments for eligible projects, programs and activities. These activities are no less important and should not be regarded as lower value to the community than externally provided services.

### **FY 2004 HOME FUNDING ALLOCATION**

<b>FY 2004 HOME Category Funding</b>		
<b>Category</b>	<b>Total Dollars</b>	<b>Percent</b>
Program Administration	725,226	9
Community Housing Development Organizations (CHDOs)	190,000	2
Operating Support		
Reserve for CHDO Support	363,726	4
Rental Housing	750,000	9
Homeownership	4,384,500	55
Reserves	1,569,305	21
<b>TOTAL</b>	<b>7,982,757</b>	<b>100</b>

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## FY 2005 HOME ESTIMATED FUNDING ALLOCATION

FY 2005 HOME Estimated Funding Allocation		
Funding Category	Total	Estimated % of HOME Allocation
Program Administration	879,000	10
Community Housing Development Organizations (CHDOs) Operating Support	439,500	5
CHDO Set-Aside	1,318,500	15
Rental Housing	791,100	9
Homeless Housing	1,000,000	11.4
Homeownership	4,361,900	49.6
<b>TOTAL</b>	<b>8,790,000</b>	<b>100%</b>

In order to receive HOME funds from US HUD a local funding match is required. This match is expected to be covered through the utilization of the SHIP funds.

## FY 2004 SHIP FUNDING ALLOCATION

FY 2004-5 SHIP Category Funding		
Category	Total	Percent
Homeownership	5,750,000	85.
Homebuyer Counseling	1,000,000	15.
<b>TOTAL</b>	<b>\$6,750,000</b>	<b>100%</b>

The following estimated allocations serve as guidelines for FY 2005 SHIP funding:

FY 2005 SHIP Estimated Funding Allocation		
Funding Category	Total	Estimated % of SHIP Allocation
Rental Units	1,300,000	21 %
Homeownership	5,000,000	79 %
<b>TOTAL</b>	<b>6,300,000</b>	<b>100%</b>

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## FY 2004 EMERGENCY SHELTER GRANT (ESG) FUNDING ALLOCATION

FY 2003 ESG Funding Allocation		
Category	Total	Percent
Public Services	750,000	100%
<b>TOTAL</b>	<b>\$750,000</b>	<b>100%</b>

## FY 2005 ESG ESTIMATED FUNDING ALLOCATION

FY 2005 ESG Estimated Funding Allocation		
Funding Category	Estimated % of ESG Allocation	
Public Services	100%	
<b>TOTAL</b>	<b>\$750,000</b>	<b>100%</b>

## FY 2004 SURTAX FUNDING ALLOCATION

FY 2004 Surtax Funding		
Category	Total	Percent
Rental Housing	16,100,000	81
Homeownership	3,600,000	18
Homeownership Counseling	220,000	1
Homeless Housing		
<b>TOTAL</b>	<b>\$19,920,000</b>	<b>100%</b>

## FY 2005 SURTAX ESTIMATED FUNDING ALLOCATION

FY 2005 Surtax Estimated Funding Allocation		
Funding Category	Total	Estimated % of Surtax Allocation
Rental Rehabilitation	3,000,000	15
Rental New Construction	9,900,000*	49
Homeownership	6,000,000	30
Homeownership Counseling	100,000	1
Homeless Housing	1,000,000	5
<b>TOTAL</b>	<b>20,000,000</b>	<b>100%</b>

\*4,000,000 from reprogrammed funds

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## PART IV: TIMELINE FOR FY 2005 CONSOLIDATED PLANNING ACTIVITIES

<b>January 2004</b>
<ul style="list-style-type: none"> <li>Meeting with RFA County partners working group.</li> </ul>
<b>February 2004</b>
<ul style="list-style-type: none"> <li>OCED meets with Neighborhood Revitalization Strategy Areas (NRSA) Community Advisory Committees and Commission District community meetings regarding performance of currently funded neighborhood activities and priorities/needs for FY 2005.</li> </ul>
<b>March 2004</b>
<ul style="list-style-type: none"> <li>Meeting with RFA County partners working group.</li> <li>OCED meets with Neighborhood Revitalization Strategy Areas (NRSA) Community Advisory Committees and Commission District community meetings regarding performance of currently funded neighborhood activities and priorities/needs for FY 2005.</li> <li>Currently funded agencies give presentations at neighborhood meetings</li> </ul>
<b>April 2004</b>
<ul style="list-style-type: none"> <li>Meeting with LISC, several Housing CDCs and the City of Miami.</li> <li>OCED meets with Neighborhood Revitalization Strategy Areas (NRSA) Community Advisory Committees and Commission District community meetings regarding performance of currently funded neighborhood activities and priorities/needs for FY 2005.</li> <li>OCED meets with County Departments regarding performance of currently funded neighborhood activities and priorities/needs for FY 2005.</li> <li>April 7, 2004 Consult with Affordable Housing Advisory Board (AHAB).</li> <li>Consult with participating municipalities to update neighborhood priorities and needs for FY 2005.</li> <li>Consult with Office of Americans With Disability Act (ADA) Coordination and Commission on Disabilities</li> <li>Monitoring of Action Plan activities begins and continues throughout the year.</li> <li>Currently funded agencies give presentations at neighborhood meetings</li> </ul>
<b>May-June 2004</b>
<ul style="list-style-type: none"> <li>BCC Economic Development and Human Services Committee hears FY 2005 Policies and RFA process application and Resolution</li> <li>FY 05 RFQ for CDBG, HOME, SHIP, ESG and SURTAX advertised. RFQs will be available in May or June</li> <li>Applications submitted in June or July.</li> <li>Evaluation of applications begins and OCED completes eligibility determinations.</li> <li>OCED provides RFA technical assistance workshop for agencies, groups and individuals.</li> <li>Applicants give RFA presentations to citizens at district public meetings.</li> <li>Consultations with Applicants by OCED staff.</li> <li>Currently funded agencies give presentations at neighborhood meetings</li> </ul>
<b>July 2004</b>
<ul style="list-style-type: none"> <li>Applicants give presentations to citizens at district public meetings.</li> </ul>
<b>August 2004</b>
<ul style="list-style-type: none"> <li>First draft of Review and Assessment Forms for all Action Plan funded activities is completed.</li> <li>Initial FY2005 Plan funding recommendations published in August 2004 and 30-day comment period begins.</li> <li>First draft of Action Plan, along with accompanying recommendations, is forwarded to Budget Office for review, upon approval by County Manager's Office.</li> </ul>

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<b>September-October 2004</b>
• OCED, County Manager's Office and the Budget Office discuss funding recommendations.
• First draft of Action Plan, along with accompanying recommendations, is forwarded to Budget Office for review, upon approval by County Manager's Office.
• Funding recommendations are completed and forwarded to County Manager for approval and transmittal to Board for second public hearing.
• Neighborhood agencies included in Plan are advised of funding recommendations.
• Review of funding recommendations by: the Task Force on Urban Economic Revitalization; the Overall Tenant Advisory Council; and the Affordable Housing Advisory Board.
• EDHS Public Hearing
• BCC approves funding recommendations following a thirty-day Public Comment period for affected citizens to review the proposed Action Plan.
<b>November-December 2004</b>
• FY 2005 Action Plan is sent to U.S. HUD (by November 15, 2004).
• FY 2005 Action Plan is presented to citizens at public meetings.
• FY 2005 contracts are completed (by December 31, 2004).
<b>January 2005 funds are released and new FY 2005 program year begins.</b>

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## ATTACHMENT A: CITIZEN PARTICIPATION PLAN

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**DADE COUNTY  
CITIZEN PARTICIPATION PLAN  
FOR THE CONSOLIDATED  
PLANNING PROCESS**

Metro-Dade Office of Community and Economic Development  
140 West Flagler Street, Suite 1000  
Miami, Florida 33130-1561  
(305) 375-3431

Amended, May, 1996



## DADE COUNTY CITIZEN PARTICIPATION PLAN FOR THE CONSOLIDATED PLANNING PROCESS

### INTRODUCTION

The U.S. Department of Housing and Urban Development (U.S. HUD), through Section 24 of the Category of Federal Registers (CFR) Parts 91, et al., requires that Metro-Dade County's Office of Community and Economic Development (OCED) submit a Consolidated Plan in order to receive funding under various grant programs. Dade County's Consolidated Plan includes four U.S. HUD Community Planning and Development (CPD) formula programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Shelter Grants (ESG)
- Housing Opportunities for People With Aids (HOPWA)

### ENCOURAGEMENT OF CITIZEN PARTICIPATION

U.S. HUD requirements are designed especially to encourage participation by very-low- and low-income persons, particularly those living in shun and blighted areas and in areas where CDBG funds are proposed to be used. Metro-Dade will take whatever actions are appropriate to encourage the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with mobility, visual or hearing impairments.

In the preparation of its Consolidated Plan, any substantial amendments to the Consolidated Plan and the performance report, the Metro-Dade Office of Community and Economic Development will continue its neighborhood-based citizen participation process which provides for regular meetings with local Neighborhood Advisory Committees. In addition, OCED will participate in area-wide Commission District meetings to solicit additional citizen input from areas which do not have established Neighborhood Advisory Committees. OCED will coordinate its activities with Dade County's Office of Americans with Disabilities Coordination to extend its outreach efforts to include persons with mobility, visual or hearing impairments. For public hearings, sign language interpreters will be available upon request and translators will be available for non-English speaking persons.

The Metro-Dade Office of Community and Economic Development will meet with the Overall Tenant Advisory Committee of Dade County HUD to encourage, in conjunction with consultation with public housing authorities, the participation of residents of public and assisted housing developments, in the process of developing and implementing the Consolidated Plan. Other low-income residents of targeted revitalization areas in which the developments are located will be encouraged to participate in regular meetings with local Neighborhood Advisory Committees. OCED will provide information to the county housing agency about housing and community development plan activities related to its developments and surrounding communities so that the housing agency can make this information available at the annual public hearing required under the Comprehensive Grant Program.

### DEVELOPMENT OF THE CONSOLIDATED PLAN

Before Metro-Dade County adopts a Consolidated Plan, the Metro-Dade Office of Community and Economic Development will make available to citizens, public agencies and other interested parties information that includes:

1. The amount of assistance the jurisdiction expects to receive (including grant funds and program income).
2. The estimated amount that will benefit persons of low- and moderate-income, and
3. The range of activities that may be undertaken.

This information will be part of the public notice, which will be advertised, to announce the Public Hearing to adopt the Consolidated Plan. This information will also be part of the package of information provided to persons or groups applying for funding through grant programs supporting the Consolidated Plan.

### PLAN TO MINIMIZE DISPLACEMENT

As a matter of policy, the County will take measures to avoid displacement of families and individuals while carrying out activities under the Consolidated Plan. This includes acquiring vacant buildings and land, rather than occupied buildings and land. However, where there seems to be no alternative, the following steps will be taken to assist families and individuals who are displaced:

1. Tenants and homeowners will receive those benefits provided for under the Relocation and Real Property Acquisition Act of 1970, as amended. In addition, Metro-Dade has adopted a policy which will provide a supplemental payment to those persons who require additional financial support to make replacement dwelling affordable.
2. Relocation referrals are provided to persons being displaced. Various methods are utilized by the relocation staff to identify relocation sources. These include:
  - a. Referrals from Realtors or large rental agencies.
  - b. Response from owners/agents to advertisements published in English and Spanish and other non-English newspapers seeking rental and sales units.
  - c. Signs displayed by owners/agents in various neighborhoods noted by relocation advisors and/or housing inspectors who report this information to the relocation office.
  - d. Word of mouth referrals from persons with whom the relocation office has dealt in the past.
  - e. Advertisements in English and Spanish and other non-English newspapers placed by owners/agents offering units for rent and/or sale.
3. When possible, and if requested, provisions are made to allow displacees to locate in the neighborhood from which they were displaced.
4. Tenants and homeowners are advised of their rights and responsibilities.

## PUBLIC HEARINGS

There will be two Public Hearings to obtain citizens' views and to respond to proposals and questions. Both hearings will be held before the Metro-Dade Board of County Commissioners or a committee of the Board. These hearings will address housing and community development needs, development of proposed activities and review of program performance. The hearings will be held in a public facility that is easily accessible to the public including persons with disabilities. The place, date and time of these hearings will be determined by the County Manager in consultation with the chairperson of the Board of County Commissioners or the chairperson of the Board's Housing and Community and Economic Development Committee.

The first Public Hearing will be held during the development of the Consolidated Plan. To guide the process of soliciting proposals for funding, a policy paper will be presented to the Board of County Commissioners or a committee of the Board. The views of citizens on housing and community development needs, including priority non-housing community development needs, will be considered at this time.

The second Public Hearing will be held to adopt the final Consolidated Plan. The Board of County Commissioners or a committee of the Board will review program performance, including the performance of ongoing activities, in their consideration of adopting the annual action plan. During the public hearing, the board will consider the comments or views of citizens received orally, or in writing, in preparing to adopt the final consolidated plan.

A Public Notice summarizing the action to be taken at each public hearing will be placed in a newspaper or general circulation, and newspapers representing significant minorities and non-English speaking persons, at least 15 days prior to the hearing.

At the time of submission of the Consolidated Plan to the County Commission agenda coordinator, a public announcement summarizing the Consolidated Plan and the availability of copies will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the Consolidated Plan will be distributed to regional public libraries, the Overall Tenant Advisory Committee, the Office of Americans With Disabilities Coordination, the Homeless Trust and through the Metro-Dade Community Action Agency neighborhood network. Copies of the Plan will be available at the Office of Community and Economic Development during regular business hours. This public notice will allow for a 30-day comment period for citizens to respond to the proposed plan before it is adopted by the Board of County Commissioners. A summary of the comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final consolidated plan.

## CRITERIA FOR SUBSTANTIAL AMENDMENTS TO THE CONSOLIDATED PLAN

A substantial change in a planned or actual activity will require an amendment to the plan. A substantial change is any change in purpose, scope, funding amount, location and/or beneficiaries of an activity which actually and/or materially affects one or more of the preceding in the manner stated below:

1. An activity assumes a new purpose,
2. The scope of activity is increased by 100% or more.
3. The minimum change in the cost of an activity is \$100,000 or more, or
4. An activity's services are redirected outside of the previously agreed upon target area.

Amendments which affect established target areas will be submitted to the respective Neighborhood Advisory Committees for their review and comment during their next regularly-scheduled meeting to be held before the amendments are considered by the Board of County Commissioners.

At the time of submission of Substantial Amendments to the Consolidated Plan to the County Commission agenda coordinator, a public announcement summarizing the amendments will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the amendments will be available at the Office of Community and Economic Development during regular business hours.

This public notice will allow for a 30-day comment period for citizens to respond to the proposed amendments before they are adopted by the Board of County Commissioners in a Public Hearing. A summary of the comments or views, and a summary of any comments or views not accepted and the reasons therefor, shall be attached to the final amendments.

#### PERFORMANCE REPORTS

Before the annual grantee performance report is submitted to U.S. HUD, a public notice announcing the availability of the report will be placed in a newspaper of general circulation, and newspapers representing significant minorities and non-English speaking persons. Copies of the report will be available at the Office of Community and Economic Development during regular business hours. The notice will allow for a 15-day period during which OCED will receive comments on the performance report before its submission. The Metro-Dade Office of Community and Economic Development will consider any comments or views of citizens received in writing, or orally at public hearings in preparing the performance report. A summary of these comments or views will be attached to the performance report.

#### MEETINGS

Metro-Dade County has an adopted Community and Economic Development Citizen Participation Plan. That plan establishes a formal structure through which residents may participate in the planning, implementation and evaluation of the program in an advisory role. Residents are given the opportunity to help identify community conditions and determine community needs, help develop corrective strategies and monitor their progress and effectiveness. To foster the most effective citizen participation process possible, Metro-Dade will make reasonable efforts to ensure continuity of individuals' involvement by encouraging continuous participation throughout all stages of the program, from initial planning through assessment of performance.

Public meetings will be held in each of the target areas on a regular basis to provide residents the opportunity for continuous input into all phases of the process. The meetings will be for the general purpose of providing residents with information, soliciting their views and providing them with an opportunity to comment on Metro-Dade's community development needs and performance.

#### ACCESS TO RECORDS

All information and record relating to the development of the Consolidated Plan and Metro-Dade's use of assistance under related programs, will be on file at the Office of Community and Economic Development, 140 West Flagler Street, Suite 1000, Miami, Florida. The office is open from 8:00 a.m. until 5:00 p.m., Monday through Friday. It is closed on holidays. The public has access to these records for the current year and four years after the performance report is submitted to U.S. HUD.

#### TECHNICAL ASSISTANCE

Technical assistance will be provided to groups representing low- and moderate-income persons. Upon request, individuals and groups, including persons with disabilities or other special needs, will be assisted in the completion of applications or proposals for funding assistance under any of the programs covered by the Consolidated Plan, as well as the preparation of a budget for any proposed activity.

#### COMPLAINTS

Complaints from citizens received in writing or orally at public hearings, in the development of the final consolidated plan, amendments to the plan, or the performance report, will be summarized and attached to the final consolidated plan, amendment of the plan, or performance report. A summary of comments or views not accepted and the reason thereof will also be attached. Citizens with written complaints will receive a response in writing within fifteen days of receipt of the complaint.

## **ATTACHMENT B: BOARD APPROVED ORDINANCES AND RESOLUTIONS**

### **ORDINANCES**

- **Ordinance 82-16** - Further restricts CDBG program allocations:
  - At minimum, 75% of all beneficiaries must be low- or moderate-income households;
  - Emphasis must be placed on job creation for economic development activities; and
  - Emphasis must be placed on neighborhoods and citizen participation.
- **Ordinance 16A-2** – States that the Consolidated Planning Process must include protection, enhancement and perpetuation of properties of historical, cultural, archeological, aesthetic and architectural merit are in the interests of health, prosperity and welfare of the people of Miami-Dade County.
- **Ordinance 97-33** - Creates the Task Force on Urban Economic Revitalization, and provides for a review of OCED recommendations for CDBG economic development category funding and CBO funding relating to economic development for the purpose of ensuring that OCED's staff recommendations are in accordance with priorities established by the Plan. When the Board considers funding for economic development in Targeted Urban Areas, the Board will accept the recommendations of the Task Force unless the recommendations are disapproved by a two-thirds vote of the entire membership of the Board. OCED must report to the Board the dollar amount being spent in Targeted Urban Areas.

### **RESOLUTIONS**

- **Resolution 404-92** - All CDBG program income from economic development loans is to be placed into the Revolving Loan Fund until \$15 million is reached in the loan pool.
- **Resolution 405-92** - The Department of Special Housing Programs, reorganized as the Miami-Dade Housing Agency and OCED, must: 1) give priority to homeownership projects consistent with the Consolidated Plan; and 2) develop a strategic plan to assist CDCs in constructing homeownership projects.

- **Resolution 406-92** - The County will develop a plan for CDCs engaged in rental housing construction to establish escrow accounts to be used to renovate rental housing projects.
- **Resolution 407-92** - Technical assistance provided by the Local Initiatives Support Corporation and Greater Miami Neighborhoods is to be limited to development projects located primarily outside the entitlement cities of Miami, Miami Beach and Hialeah.
- **Resolution 408-92** - The County will emphasize minority business participation in CDBG and Surtax projects.
- **Resolution 409-92** - The County is to provide a cost estimate for each CDBG funded capital improvement or historic preservation project.
- **Resolution 1185-98** - The County requires strict compliance with HUD Section 3 requirements and directs all County departments to monitor compliance. It also requires all applicable County contracts and solicitations to contain language requiring compliance with *Section 3*. *Section 3* ensures that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly those receiving government assistance for housing and to business concerns providing economic opportunities to low- and very low-income persons.

## **COURT-RELATED POLICIES**

**Targeting CDBG funding near Public Housing.** As a result of the Consent Decree issued by the U. S. District Court Southern District of Florida on June 24, 1998, "the County shall allocate 25 percent of its future annual allocable CDBG funds for a total of five years, commencing with the FY 2000 Action Plan for housing and community and economic development programs and infrastructure improvements in neighborhoods surrounding public housing developments." Allocable CDBG funds are the total amount of CDBG funds appropriated in the Annual Action Plan less the 20 percent maximum allowed by HUD for the County's administrative expenses. The allocated CDBG funds shall be spent in accordance with priority needs identified relative to public housing and the surrounding neighborhoods through the County's Citizen participation process, unless modified by a two-third (2/3) vote of the Board. (FY 2004 was the last year for the 5-year term mandated by this decree)

Procedures have been put in place to fulfill the requirements of these ordinances, resolutions and court actions listed above. It is recommended that the Board continue these policies accommodating potential conflicts with Federal policies as required.

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**ATTACHMENT D**

**LETTER TO SOUTH FLORIDA COMMUNITY DEVELOPMENT COALITION**

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June 15, 2004





140 W. FLAGLER STREET, SUITE 1000  
MIAMI, FL 33130-1561

OFFICE OF COMMUNITY AND  
ECONOMIC DEVELOPMENT  
Director's Office  
PHONE: 305-375-3848  
FAX: 305-375-3428  
[kfinnie@miamidade.gov](mailto:kfinnie@miamidade.gov)  
[www.miamidade.gov](http://www.miamidade.gov)

June 14, 2004

Mr. John Little, Esq.  
South Florida Community Development Coalition  
3000 Biscayne Boulevard  
Suite 500  
Miami, Florida 33137

Re: South Florida Community Development (SFCD)  
Coalition Policy Paper Comments

Dear Mr. Little:

Please review the Office of Community and Economic Development's (OCED) comments to your April 22, 2004 letter. I would like to thank you for your enlightened input. I found it a professionally enjoyable exercise thinking through our response to your comments. There is much that we agree upon but as the Director of OCED, I am duty bound to manage our implementation processes very carefully. The format for our response below is a reprint of your letter's text with OCED's respective comments immediately following in bolded print.

**1. Neighborhood Revitalization Strategy Area (NRSA) reconfigurations (SFCD Comments)**

The Coalition has no objection to the proposed changes in the NRSA's.

The Coalition does object, however, to using the NRSA mechanism as a means to routinely exceed the 15% cap on expending CDBG funds for "public services". CDBG should be focused on community development and not used as a generalized funding source for human services programs. CDBG "public services" spending should be allowed to exceed the 15% cap *only* if such services are directly related to an identifiable housing development project.

In cases where public services expenditures are directly related to housing development the criteria for exceeding the 15% cap should not be whether the service provider's offices are physically located in an NRSA but, instead, whether the *activity* itself is based in the NRSA.

### **3. Two-part application process -(SFCD Comments)**

The idea of adopting a pre-application is a good one provided that it is implemented properly and the process is transparent. In adopting such a program the County should:

- Clearly communicate what types of projects are being looked for
- Clearly communicate how projects are to be measured
- Adopt clear criteria for funding
- Adopt a clear scoring system
- Actually use the scoring system as the primary basis for making funding decisions
- Adopt an informal appeal process at both the 1<sup>st</sup> and 2<sup>nd</sup> tier level of the application process (so as to provide an opportunity for applicants to meet with staff to go over their scoring)
- Implement a consolidated decision making process
  - ❖ There needs to be one County decision making process as to which projects get funded regardless of the funding source. There needs to be inter agency agreement between OCED, MDHA and the Homeless Trust on implementing a unified decision making process.

#### Additional Comments:

1. Projects that are rejected by staff at the pre-application stage should be deemed to be eligible to compete for any reprogrammed funds that might become available later on (the current practice is that reprogrammed funds can be allocated only to projects that had previously submitted an application during the normal RFP cycle).
2. The Coalition requests an opportunity to comment on the proposed pre-application form. Give us a chance to sit down and informally discuss this document with you.
3. The RFQ, itself, should be as simple as is reasonably possible.

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**OCED Response:**

Thank you for your support on our special effort to clearly communicate. Historically, our application process has met with U.S. HUD requirements and we will continue to be in compliance.

In terms of the decision making process, our Consolidated Planning process enables all County Departments with similar goals and objectives to participate in the decision making. For affordable housing, the recommendations from Miami-Dade Housing Agency (MDHA) flow through the Affordable Housing Advisory Board (AHAB), a BCC appointed entity. AHAB consists of developers, private citizens and community based developers who review all housing recommendations from OCED and MDHA prior to the commencement of an approval. Our decision making process is unified, consolidated and comprehensive from a review and input standpoint.

We will accommodate your request for input in the development of our pre-application.

In terms of projects that are rejected via the pre-application process, please note that this process seeks to identify projects that are not "realistic and attainable" and immediately reject them from the process. Those projects that pass the pre-application process must still be evaluated and scored. Meeting the standards of the pre-application process does not guarantee funding recommendations from staff. We certainly agree that eligible projects that are marginal but viable and are not recommended for funding should be eligible for reprogramming funds, when and if they are available. I would anticipate that the candidates for any reprogramming would be prioritized on projects that meet the pre-application standard but ultimately do not benefit from a final staff funding recommendation.

**4. Enhance agency capacity through required training sessions -(SFCD Comments)**

- Participation in a particular training program should not be used as a prerequisite for an organization being qualified for County contracts.
- Clearly the County should not be entering into contracts with organizations that do not have a staff capable of carrying out the scope of services. Certain organizations, however, may have gained such capacity without having participated in any particular County funded training program.
- The Coalition urges the County to fund sophisticated training on regularly scheduled basis in a manner making it easily accessible to organizations that have County contracts. The Coalition believes that if such trainings are made to

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be directly relevant to the work that these organizations are doing there will be broad participation without the need for coercive attendance.

**OCED Response:**

**The Policy Paper is quite clear that agencies who receive funding are asked to attend supplemental training. This request is not a condition of funding but a supplement to an agency's approved funding.**

**5. Establishment of an allocation minimum -(SFCD Comments)**

The idea appears to be a good one. The Coalition does not have any particular comments.

**OCED Response:**

**Thank you.**

**ADDITIONAL RECOMMENDATIONS: PROVIDE A FRAMEWORK FOR FUNDING NON-PROFIT HOUSING DEVELOPERS**

The County should fund housing development deals sponsored by nonprofits in a way that takes into account the total project costs. Nonprofits should be allowed to draw down developer fees in manner similar to the way such fees are paid in unsubsidized private sector deals.

It is recommended that the County adopt the policy of Florida Housing Finance Corporation (FHFC) with regard to establishing the development fee. FHFC sets the developer's fee at 16% of the development cost and 4% of the acquisition. This is the standard for "affordable housing" generally. Usually, these projects have 200-400 units and run into the millions. Nonprofit, public purpose developments are generally more difficult and more varied. Therefore, if anything, the costs to implement these projects is higher.

Outlined below is a method by which the County could fund nonprofit housing developers in a more predictable and workable way reflecting the scope of work of each organization. It is based on two premises:

- Project management funding should be based on the total project costs and it needs to be disbursed over the development period.
- Successful nonprofits need stable, predictable funding.

Specific major project development thresholds could be set forth and percentages of the development fee paid accordingly. Here is an example (the actual thresholds and the percentages will vary depending on the project):

Site control and due diligence	20%
Project planning and securing funding required	20%
Permitting, Closing on funding, Bidding construction	20%
Construction oversight & operating start-up	20%
Completion (like a construction retainage)	20%

This will eliminate the need for separate project management applications and will ensure that organizational funding directly relates to project development funding. The pace of releasing the funding would be tied to the progress of the project. No further funding would be released until the threshold is achieved.

The County's project funding should be used for the costs incurred toward the beginning of the development process for acquisition and pre-development costs required to leverage State and Federal funds in order to have the greatest impact and leverage. This will also ensure that the funds are put to use quickly, a HUD goal. It will reduce the cost of borrowing money for these necessary steps. This will free organizational borrowing capacity to expand the scope of their efforts.

**OCED Response:**

Consistent with the recommendations from the South Florida Community Development Corporation, OCED concurs that a funding strategy that would provide structure to the County funding processes, and one that links predevelopment management and soft costs to performance, is of merit.

In light of the above, OCED is recommending a funding index that caps investments based on the percentage of the overall project costs. This strategy is comprehensive in that funding levels will be based upon the recognition of project management, architectural, engineering and all other reasonable pre-development related expenditures. This policy strategy is strictly limited to CDBG and HOME funds. This factor is critical due to HUD's increasing enforcement of its regulations and stated adversity to unrestricted housing administrative disbursements. This strategy is limited to Community Based Organizations or their sponsored affordable housing joint venture initiatives.

\$10,000,000@	5%=	500,000
9,000,000@	5%=	450,000
8,000,000@	5%=	400,000
7,000,000@	5%=	350,000
6,000,000@	5%=	300,000
5,000,000@	5%=	250,000
4,000,000@	6%=	240,000
3,000,000@	8%=	240,000
2,000,000@	10%=	200,000
1,000,000@	15%=	150,000

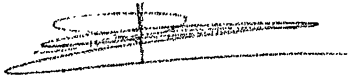
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**This index will apply to both single family and multi-family residential projects. OCED staff will directly negotiate scopes and budget for each approval and cap proceeds can be utilized on a multi-year basis. Pre-development investments in projects whose costs are less than \$1,000,000 will be negotiated on a case-by-case basis. Proceeds can be utilized for architectural, engineering, insurance, project management, relocation, auditing and accounting. However, OCED does reserve the right to recommend allocations in excess of the caps based on extraordinary cost requirements. These items may include but are not limited to the following:**

- **Additional Infrastructure cost**
- **Additional legal cost associated with environmental or zoning modifications**
- **Unanticipated Brownsfield costs**

Again, thank you for bringing these items to my attention. I will forward a copy of my comments to the Board of County Commissioners and, consider including elements of this document as an amendment to OCED's FY 2004-2005 Policy Paper.

Sincerely,



Bryan K. Finnie  
Director

BKF:gvm



## MEMORANDUM

(Revised)

TO: Hon. Chairperson Barbara Carey-Shuler, Ed.D.  
and Members, Board of County Commissioners

DATE: June 22, 2004

FROM: Robert A. Ginsburg  
County Attorney

Not On

SUBJECT: Agenda Item No. 7(K)(1)(A)

Please note any items checked.

☒

"4-Day Rule" ("3-Day Rule" for committees) applicable if raised

☐

6 weeks required between first reading and public hearing

☐

4 weeks notification to municipal officials required prior to public hearing

☐

Decreases revenues or increases expenditures without balancing budget

☐

Budget required

☐

Statement of fiscal impact required

☐

Bid waiver requiring County Manager's written recommendation

☐

Ordinance creating a new board requires detailed County Manager's report for public hearing

☐

Housekeeping item (no policy decision required)

☐

No committee review

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Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Not On  
Agenda Item No. 7(K)(1)(A)  
6-22-04

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING THE POLICIES GOVERNING THE PLANNING PROCESS FOR THE UPDATE OF THE FY 2003-2007 CONSOLIDATED PLAN THROUGH THE PREPARATION OF THE FY 2005 ACTION PLAN; ABIDING BY THE FUNDING STRATEGIES AND PRIORITIES APPROVED BY THE BOARD ON DECEMBER 17, 2002 AS A PART OF THE FY 2003-2007 CONSOLIDATED PLAN AND APPROVING THE USE OF A REQUEST FOR APPLICATIONS PROCESS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, THE HOME INVESTMENT PARTNERSHIP PROGRAM, THE STATE HOUSING INITIATIVES PROGRAM, AND THE SURTAX PROGRAM TO SOLICIT AGENCIES TO APPLY FOR FUNDING TO ADDRESS NEEDS ALREADY IDENTIFIED IN THE PLAN OR TO MEET UPDATED NEEDS RESULTING FROM THE CITIZEN PARTICIPATION PROCESS.

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the policies governing the update of FY 2003-2007 Consolidated Plan including the FY 2005 Action Plan Planning Process for the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Shelter Grant (ESG) programs, as well as the State Housing Initiatives programs (SHIP) and the County Surtax program; abides by funding strategies and priorities as approved by the Board on December 17, 2002; and approves the use of a Request for Application process to include the CDBG, HOME, ESG, SHIP, and Surtax Programs to solicit agencies to apply for funding to address needs already identified in the Plan or to meet updated needs



resulting from the Citizen Participation Process in substantially the form attached hereto and made a part hereof.

The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Dr. Barbara Carey-Shuler, Chairperson	
Katy Sorenson, Vice-Chairperson	
Bruno A. Barreiro	Jose "Pepe" Diaz
Betty T. Ferguson	Sally A. Heyman
Joe A. Martinez	Jimmy L. Morales
Dennis C. Moss	Dorrian D. Rolle
Natacha Seijas	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 22<sup>nd</sup> day of June, 2004. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as \_\_\_\_\_  
to form and legal sufficiency.

Shannon D. Summerset

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